

September 24, 2018

The Carroll County Board of Supervisors held a called meeting on, September 24, 2018 in the Board Meeting Room of the Carroll County Governmental Center.

Present were:

Rex L. Hill  
Phillip McCraw  
Robbie McCraw  
Dr. Tom Littrell  
Bob Martin  
Steve Truitt, County Administrator  
Nikki Cannon, Assistant County Administrator  
Steve Durbin, County Attorney

Mr. Robbie McCraw called the meeting to order at 6:00 p.m.

Dr. Littrell lead in invocation and pledge.

Mr. Robbie McCraw thanked everyone for coming out tonight to get these two items taken care of.

### **REVENUE ANTICIPATION NOTE**

Mr. Robbie McCraw asked if we have any discussion on this.

Mr. Truitt told unless you all have some discussion I think it is a pretty simple transaction that will be completed by this Friday assuming that you approve.

Mr. Robbie McCraw asked the amount of it.

Mr. Truitt replied she requested \$2 million.

Mr. Martin asked she is.

Mr. Truitt replied Bonita, the Treasurer.

Mr. Martin asked technically who recommends a note like that.

Mr. Truitt replied all of the people who are in charge of the County's finances work together to try to anticipate whether or not we are going to have cash flow issues. Ultimately at the end of the day, revenue and thus revenue anticipation would be the responsibility of the Treasurer.

Mr. Martin replied so if she doesn't recommend it probably is not going to happen.

Mr. Truitt told if she doesn't recommend or if we did not agree with her we would bring it to your attention that we thought there was an issue but it would not be incumbent upon us to act without your concurrence if that situation were to arise. In this particular case it was fairly close, you could go either way on whether we need or not. There is a fairly substantial amount left at the end of the month.

Mr. Martin asked if your and Nikki's feeling was.

Mr. Truitt told his feeling was to evaluate it and wait and see and that it was not pressing was my feeling. The Treasurer didn't agree so we went out and made arrangement to get everything for the revenue anticipation note.

Ms. Cannon told she asked in August if there was a need for a revenue anticipation note and I was told no. I asked in September when they held the accounts payable checks if we needed a revenue anticipation note and I was told no. On September 11<sup>th</sup> it then went to Mr. Truitt that there may be a need for a revenue anticipation note. I don't want to speak for him and what he was told.

Mr. Martin replied so y'all did y'all's job.

Ms. Cannon replied I tried to, yes sir.

Mr. Hill asked how much money do we have, how many millions do we have.

Ms. Cannon asked as of when.

Mr. Hill replied now.

Ms. Cannon told as of right now we have \$2.3. As of September 28<sup>th</sup> per the Treasurers Report, I sent some balances down this afternoon to verify that my number was accurate and the Treasurer's Office Bookkeeping Department sent back a number and as of the projected September 28<sup>th</sup> balance will be \$456,000 after the school payroll and all of the County payroll through September.

Mr. Hill told I have a August 2016 financial update that says July to September we technically need 6 to 7 million dollars to get us to the point where we are collecting taxes and our revenue cash flow starts to change and we start to increase about October, is that correct.

Ms. Cannon told I don't know what you are looking at.

Mr. Hill told I am looking at the minutes from August 8, 2016. Is that correct? Do we need 6 to 8 million to get us through from July to September.

Ms. Cannon told from July to September I have about 5.6.

Mr. Hill told this will be the 3<sup>rd</sup> year we have had to do a revenue anticipation note.

Ms. Cannon replied yes sir and we closed out the year \$600,000 higher than we normally have. So really it was close, it was close for finance and it was close for the Treasurer. I don't mean to speak for her but if you ask then you are told no then I would imagine you are in a position where. It was questionable whether or not we were going to need it. We were hopeful we didn't.

Mr. Martin told our financial situation did improve.

Ms. Cannon replied yes sir.

Mr. Martin told as a lot of businesses do when you slow down you cover slow downs until you can get a surplus built up. It is a business practice.

Mr. Hill told that is the whole purpose of us having a fund balance policy is that not correct.

Ms. Cannon replied yes sir.

Mr. Hill told if we get that up to where we should be then we don't have to get this revenue anticipation note. How much does this cost us every year for the last 3 years for the loans.

Ms. Cannon told with the attorney's fees maybe \$5000.

Mr. Hill told we will collect \$100,000 with the taxes. I think we need to step that up so we won't be in the same position next year. It takes almost a year to collect that.

Ms. Cannon told I don't think anyone wants to be in this position.

Mr. Hill told I know we have discussed holding off and spreading it out but I think we need to escalate that movement.

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Mr. Durbin told that up to this point we have been doing a lot of preliminary work, getting notices out. We are reviewing titles now.

Ms. Cannon told where the Board adopted the budget earlier this year our tax tickets I would think would be going out earlier this year.

Mr. Hill told in the past we have had to wait on several different things.

Mr. Martin told that he wished he could say only the last 3 years in the history of the county was the only time we had revenue anticipation notes but that's not true. There were many years in the past that we had to do revenue anticipation notes that I remember. The sad thing was we didn't have water and sewer and gas. We are getting close, I agree with Rex that I hope and pray that we don't have to go down this road, however we are getting close. In 3 years we have improved every year.

Ms. Cannon told it takes a lot of work to get it there.

Mr. Hill told he makes a motion to approve the Revenue Anticipation Note. Let me pull that back do we have to sign on the dotted line. How long can we hold off.

Ms. Cannon told she needs to know by tomorrow for the attorneys so they can get the paperwork ready to be in place by Friday.

Mr. Truitt told that we don't have to keep it open as long as we have in the past if things continue to go well. We can close much earlier than we did last year.

Ms. Cannon told that will save us on the fees that it cost.

Mr. Robbie McCraw told that is something he would like to see us do is close it out as soon as possible.

Mr. Martin told correct me if I am wrong, didn't the County Administrators Office make the recommendation that we close that note sooner than it was.

Mr. Truitt told it stayed open longer than we thought it should and we did have some vigorous discussions and we worked together with the Treasures Office to close as quick as we could.

Mr. Martin told better that we take this move as a prevention than the padookie hit the fan. I guess I am complimenting y'all.

Mr. Hill told I guess the question is do we need it.

Ms. Cannon told that Bonita said she would prefer to have it Thursday rather than Friday.

Mr. Hill asked if you are in concurrence that we need it.

Ms. Cannon that she is in concurrence that she doesn't want to be in a position where we need it and don't have it, does that make sense.

Mr. Robbie McCraw replied that makes total sense to him.

Mr. Truitt told we are right on the edge. If you are a gambling man we can ride this out but if something were to happen. If Bonita is right and we collect absolutely no revenue for the first 9 days of month we would be up the creek.

Mr. Robbie McCraw told I know our expenditures is a big reason this happens this time a year, is there any way of moving some of that around.

Ms. Cannon told that we have moved what we can. The only item that I know of is, we don't transfer unless we have to is the schools. We haven't divided by 12 and send every month, we send exactly what they need. Progress on the fund balance will help.

Mr. Hill told it looks like most of our revenue comes in in December.

Ms. Cannon told that it starts in October.

Mr. Truitt told that it has improved but we are not there yet.

Upon motion by Mr. Hill, seconded by Mr. Martin and passing, the Board approved borrowing the Revenue Anticipation Note as presented in the packet.

VOTES

Mr. Webb	Not Present
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

**STATE OF EMERGENCY RESOLUTION**

Mr. Robbie McCraw told that he appreciates all the effort Everett put forth that week.

Upon motion by Dr. Littrell, seconded by Mr. Hill and passing, the Board approved the State of Emergency Resolution.

VOTES

Mr. Webb	Not Present
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

**ADJOURNMENT**

Mr. Robbie McCraw adjourned the meeting.

(Order)

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Chairman

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Clerk

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